

# PROPOSAL EVALUATION

## Proposition 50, Chapter 8

### Integrated Regional Water Management Grant Program

### Implementation Step 2 Proposals

**PIN:** 10039  
**Applicant Name:** Santa Ana Watershed Project Authority  
**Project Title:** Santa Ana Watershed Consolidated Proposal

**Funds Requested:** \$ 25,000,000  
**Total Project Cost:** \$ 254,661,300

<b>Total Proposal Score:</b> 105
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**Description:** This proposal includes a range of projects distributed throughout the Santa Ana Watershed and San Timoteo Creek Watershed, including Reduced Groundwater Overdraft, Improved Drought Preparedness, Improved Water Quality, Reduced Flood Impacts, Environmental Benefits, and Watershed Management Planning.

**Question: Adopted IRWMP and Proof of Formal Adoption** 5

The Santa Ana Integrated Water Management Plan (SAIWMP) was adopted in May 2006. The IRWMP includes a bridging document to consolidate the SAIWMP and the San Timoteo IRWMP.

**Question: Description of Region** 5

The applicant comprehensively and adequately describes the watershed with appropriate maps and narrative of the region that is located within the boundaries of the Santa Ana RWQCB.

**Question: Objectives** 4

Separate and different objectives are described in each IRWMP. The bridging document does not provide a detailed discussion of the relationship of the individual plan objectives to the new objectives described in the bridging document. Eight grant funding objectives are listed in the bridging document. Projects were evaluated for their ability to: 1) support and improve local and regional water supply reliability; 2) contribute expeditiously and measurably to the long-term attainment and maintenance of water quality standards; 3) reduce pollution of impaired waters and sensitive habits; and 4) provide safe drinking water and water quality improvements projects that serve DAC. The objectives are general in nature and the integration of objectives between the two plans in the supplemental bridging document is limited.

**Question: Water Management Strategies and Integration** 5

Updates are provided in the bridging document. Strategies are thoroughly integrated via the wide range and mix of projects proposed to be implemented.

**Question: Priorities and Schedule** 5

The IRWMP includes a priority list of seven projects. A MOU defined mutual support and funding allocation of the priority projects. Conflict resolution, integration, synergy, and linkages of priority projects are discussed.

**Question: Implementation** 5

The bridging document identifies linkages and interdependence between projects and includes a discussion of the applicant's role, procedures and steps in administering project implementation. Additional discussion of the economical, technical feasibility and implementation schedule of projects are provided.

**Question: Impacts and Regional Benefits** 3

Regional benefits are described as a wide and comprehensive variety of integrated projects throughout, and benefiting, the entire region. However, the discussion of negative impacts for the region and integrated multiple benefits could have been more concise.

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**Question: Technical Analysis and Plan Performance**

5

The IRWMP includes performance measures for projects implemented and recognizes and discusses the need to revise the IRWMP in the future to reflect changing priorities. The IRWMP also describes a set of measurable goals and objectives that can be used to assess plan performance.

**Question: Data Management**

4

The IRWMP does not adequately address mechanisms for data dissemination to stakeholders. The description in the application of Santa Ana Watershed Data Management System is limited and does not add to the discussion of the program that was already presented in the IRWMP.

**Question: Financing**

4

The bridging document does not address financing issues, other than stating an assurance that each member agency involved will be able to provide local matching funds. A number of projects shown in the IRWMP have already been completed, using a variety of funding sources, including state bonds. IRWMP anticipates future project funding that in large part leverages local funding provided by project partners with future State bonds.

**Question: Relation to Local Planning & Sustainability**

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The consolidation represents a significant accomplishment for the region and local planning efforts. The IRWMP coordinates local and sub-regional water management project planning and implementation efforts into a integrated regional program. The IRWMP also recognizes that some local agencies felt a compelling need to act independently and pursue and compete for funding for planning and implementation projects with sub-regional benefits that, if and when completed, will function as part of an integrated regional program. The general plans for each of the watershed's three major counties and 59 cities form the cornerstone of policy development within the watershed.

**Question: Stakeholder Involvement & Coordination**

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Broad-based, collaborative involvement of a wide range of stakeholders was a cornerstone of the development of the IRWMP. A history of involvement and coordination with local, State, and federal level agencies is evident. Participation by grassroots organizations and DACs and EJ issues are addressed through the stakeholder process.

<b>Weighted IRWMP Total Score: 28</b>
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**Question: Work Plan**

9

The application includes 7 separate work plans with individual objectives. The proposal is a mix of water recycling, groundwater recharge, and water resource management projects. A summary table lists the projects, but does not indicate their status. For each work plan, work items are organized by budget category, but lack sufficient detail and completeness to demonstrate clearly that the projects can be implemented. Although plans and specifications are included for most projects, CEQA and permitting have not been completed, status is unclear, or a plan to accomplish environmental compliance and secure all required permits is not included. PAEPs, MPs, and QAPPs are identified as additional work items.

**Question: Budget**

3

The applicant provides a budget for each project and a summary budget. Project B will use SRF loan funds, but does not provide supporting documentation. Some of project budgets do not contain enough detailed information to support costs associated with the project. Contingencies are adjusted based on degree of certainty, i.e. design status. It is not clear how the applicant and its member agencies will pay O&M costs. The Environmental Compliance and Mitigation cost estimates are inadequate; they lack sufficient detail to evaluate whether sufficient funding has been allocated to cover all mitigation obligations. Cost estimates associated with PAEPs, monitoring plans, and QAPPs for most projects are not included.

**Question: Funding Match**

5

The funding match is 90% of the total proposal costs.

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#### ***Question: Schedule***

3

The applicant provides one continuous schedule with a breakdown of each of the 7 projects. Project schedules presented are brief and not detailed because milestones are general and non-specific. There are no post-construction or monitoring activities shown in any project schedule. Most of the projects already have some tasks completed and have already been implemented. It appears that construction for a majority of the projects will start before December 1, 2007 (Projects A, B, D & G). Two projects will not start until 1st quarter 2008 (Projects C & F) and one project will start construction in July 2008. Some of the work items are not reasonably accounted for in the project schedules (e.g., Permits, CEQA, etc.). Project F does not reasonably explain the anticipated timeline for land purchases and easements.

#### ***Question: Scientific and Technical Merit***

9

Supporting documentation for the projects (i.e., reports, feasibility studies, master plans, etc.) are provided. The focus of the proposal is based on distribution of recycled water. However, no discussion or studies to support the increased demands for recycled water is provided. In addition, no discussion is made as to the certainty that recycled water will be utilized when distribution systems are completed. Project G requires desalting of SWP water which will make the region more dependent on imported water. Project A, Tertiary Upgrade, does not guarantee that member agency will have customers for recycled water. Project E requires pretreatment of Redlands groundwater wells in order to make source water usable, but the costs associated with pretreatment are not fully discussed.

#### ***Question: Monitoring, Assessment and Performance Measures***

4

The applicant provides a PAEP table for each of the seven projects. Projects A, F, and G are more complete, detailed, and mature than projects B, C, and D. Project E does not provide a complete discussion of the feasibility to meet targets within the life of the proposal. One of the desired outcomes of Project E is the removal of contaminants from the groundwater basin. However, output indicators and targets are not identified.

#### ***Question: Economic Analysis***

15

The water supply and water quality benefits realized through implementation of the proposal are high. The PV of costs is \$525 million and the PV of quantified benefits is \$625 million, resulting in a net benefit of \$100 million. Total costs and benefits are not shown and had to be calculated. The Burris Pit costs are not shown. Total quantified water supply is about 96,000 AF. Few benefits are not quantified; benefits of reduced salt in watershed from Yucaipa are not counted in dollar terms. Some of the recycled water supply being claimed may already be put to use, so total supply benefits may be slightly overstated. Some costs may be understated because project costs (not necessarily all incremental costs) are shown.

#### ***Question: Other Expected Benefits***

6

Documentation is provided and supports an average level of certainty that the Other Expected Benefits claimed will be realized. The Other Expected Benefits claimed for 5 of the 7 projects include: habitat enhancement, aesthetics, recreation area, fire protection, power cost savings, and assistance in toxic waste site clean up. The other projects do not have Other Expected Benefits.

#### ***Question: Program Preferences***

5

The applicant's proposed suite of projects meet five of the six Program Preferences: multiple benefits, water supply reliability, water quality standards, reduce pollution in impaired waters, and DAC. Each project will implement one or more of the specified Program Preferences with a significant degree of certainty that the preferences claimed can be achieved. Project G qualifies for the Southern California groundwater Project Preference.

#### ***Question: Statewide Priorities***

18

The applicant's proposed suite of projects meets four of the eight Statewide Priorities. It is unclear if the proposal will reduce conflicts amongst users. Implementation of recommendations of the desalination and recycled water task force are very brief. The proposal increases water recycling, though unclear how much water will actually be recycled or used. Projects will utilize groundwater more efficiently possibly reducing demand on imported water from the Bay-Delta. The applicant did not address EJ concerns. All projects conform to and implement the RWQCB 8 WMI.

<b>Total Proposal Score:</b>	<b>105</b>
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